DO’s and DON’T’s of Starting Up

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| 10 things to consider in a GOOD BUSINESS PLAN |
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| 1. How big is the market? What speed is it growing at? How large a pie of this mkt can your product/service capture?  2. Problem statement: What is the problem you are solving, who's your customer, where do you see yourself in five years?  3. Description of the key people in your company-their past successes and area of expertise.  4. What is the product/service you are offering? How does it help? What's unique about it? Describe the tech.  5. Describe your business model? Quantify benefits to customers? How much can you charge?  6. What stage of development are you at? What is the plan going forward?  7. What is your go-to-market strategy? Any backup plans? 8. Who are the current or future players in this market? How are you different? Are their any barriers to entry?  9. Yearly financial projections up to five years which should be optimistic but realistic.  10. How much money are you looking to raise? How long will it last? What will it be used for? |

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| 10 things investors look for in a startup |
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| 1. Passionate team with domain expertise. Good management can make a success out of a bad idea. Conversely, a bad management can ruin a good idea.  2. The market that the startup is targeting should have a large potential and should be rapidly growing.  3. What are the barriers to entry for the competitors?  4. Does the startup have the ability to become the number 1 or 2 player in the market?  5. Does the product have a clear value proposition for the customers?  6. Differentiated offering. How is the startup and its product different from competitors?  7. Is there a clear path to monetization of the idea to justify the valuation?  8. Pipeline of potential customers/partners. Having a few early customers signed up can be very helpful.  9. Can the startup 'scale' to large volumes and become more profitable with larger volumes?  10. Low resistance from non-market factors - government, social organisations etc. |

## 10 Do's and don'ts when meeting a mentor/investor and pitching

1. Be organized, clear and concise. KISS is the rule - Keep It Simple, Stupid.   
2. Don't make up things. If you don't know something, accept it and say you will get back with details.   
3. Be polite but confident. Acknowledge what the mentors/investors are saying and politely put your point across. Ask questions.   
4. Have a positive body language throughout. Team dynamics are very important.   
5. Important to get the positioning of the company right.   
6. Make sure you are able to convey the core points of your agenda within the allotted time.   
7. Keep it focused. Apart from the technology (don't go overboard on it), make it clear who the product is targeted for and how you plan to sell it.   
8. Have pictures and some interaction in your presentation. Only text can bore the listener quickly.   
9. If there are shortcomings in the team, be frank. That's where the mentors/investors can help.   
10. Make comparisons - mentors/investors understand better with analogies

## 10 Things that make a good business plan

1. Vision/problem statement. What problem are you solving? Who are you solving it for? What's your big vision?   
2. Who are the 3-4 key people in the founding team? Their past successes and domain expertise.   
3. How large is the market you are addressing? How fast is it growing? How large a market share can your product hope to capture?   
4. What is the product or service that you are offering? How does it solve the problem? What's unique about it? Describe the technology in brief   
5. Competitive landscape. Who are the current or future players in this market? How are you different (IP, customer segment)? What are the barriers to entry?   
6. What is your business model? Who all will be affected by your solution and what benefits do they derive? Can you quantify the benefits? How much can you charge for the product/service?   
7. What is the current stage of the product/service and what is the roadmap?   
8. Go-To-Market strategy. What channels do you plan to use? What partnerships will you need to establish? What if you are not able to get these partnerships?   
9. Financial projections. Yearly financial projections up to 4-5 years out which should be optimistic but realistic. It should be a large enough opportunity to interest the investors.   
10. And finally, how much money are you looking to raise? How long will it last? What will it be used for? How much do you expect to raise in the future?

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## 5 Ways to take advantage of the slowdown

You have an idea. Do you go ahead and start your business or do you wait for the slowdown to blow over before starting? Such thoughts do cross one's mind, especially when most news around us today is negative. But consider this. Many of the most successful companies like Microsoft, Yahoo, McDonald's, Disney and even Google started in times of slowdown. Believe it or not, a slowdown is considered a very good time to start your business. Here are some ways in which you can leverage a slowdown:

**1. Invaluable lessons from the slowdown**: It is a fact that in good times, even mediocre businesses work, but when times are tough, founders of companies are forced to take a closer look at their ideas and refine their thinking. This can improve their business plan. A slowdown forces founders to be frugal. Starting a company with less money teaches an entrepreneur a lot of discipline. While it may feel painful to track every rupee that you spend, the lessons that it will teach will be invaluable. Having limited money leads to out-of-the-box thinking and cost cutting.

**2. Anything that helps people save cost works**: Necessity is the mother of all invention, and nothing creates necessity like a downturn. Companies and corporations today are looking for ways to save cost and improve their revenues and productivity. Businesses that help customers save cost and bring in more efficiency will be successful. While starting a new business in these times, you need to understand that people are spending less and more carefully at that. A smart entrepreneur will look at opportunities that didn't exist till now. Whenever there is a mess, there is an opportunity to think out-of-the-box. The downturn also means cheaper and better talent in the market to pick and choose from. Startups have a tougher time recruiting otherwise. Also, a slower real estate market might mean it is easier and cheaper to setup an office.

**3. Existing businesses can introspect**: Interestingly it is not just an opportunity for new startups but also for startups which are already out there. A downturn pushes entrepreneurs to be more innovative, resourceful and frugal than they may otherwise have been. An entrepreneur can refine his idea and learn how to manage cash. For some businesses which were looking at scaling up this might be a good opportunity to introspect. Due to the present situation one might have to alter plans and possibly focus on creating awareness in these times. Companies will have to re-look at the aggressiveness of their plans in this situation.

**4. Time to build a committed team**: These are times that great teams are formed and these people will stick around even when the tide turns. What you get is a committed startup team. These employees will really believe in the vision of the company and the products. They have seen though the bad times and have taken the risk.

**5. Get a headstart**: And finally, startups that launch in these times will get a head start. Surviving through these times will give you a lead over competition that is waiting for the slowdown to recede. When the economy gets back on the rails, your business will be that much further along and possibly it will be easier to raise capital for you than others. We leave you with a few important pointers. Your idea might be great but it's how you present it to the potential investor that will determine if you can get that much needed money to make it big. A business plan has to be just right to attract their attention. Investors (VCs and angels) know their business very well and you have to match them to impress them. So start now and get that head start today. We leave you with a few important pointers. Your idea might be great but it's how you present it to the potential investor that will determine if you can get that much needed money to make it big. A business plan has to be just right to attract their attention. Investors (VCs and angels) know their business very well and you have to match them to impress them. So start now and get that head start today.

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